

# County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION LOS ANGELES, CALIFORNIA 90012 (213) 974-1101 http://ceo.lacounty.gov

September 4, 2007

Board of Supervisors GLORIA MOLINA First District

YVONNE B. BURKE Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH Fifth District

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

JOINT RESOLUTION BETWEEN THE COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF AZUSA ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF THE PROPOSED ANNEXATION OF UNINCORPORATED LOS ANGELES COUNTY TERRITORY TO THE CITY OF AZUSA, WITHDRAWAL OF THE COUNTY PUBLIC LIBRARY AND DETACHMENT OF THE AREA FROM COUNTY ROAD DISTRICT NO. 1

(ANNEXATION NO. 2005-44)

(SUPERVISORIAL DISTRICT 1)

#### IT IS RECOMMENDED THAT YOUR BOARD:

Approve the Joint Resolution between your Board and the City Council of the City of Azusa (City) based on the negotiated exchange of property tax revenue, as a result of the proposed annexation of approximately 5.7 acres of uninhabited County territory into the City's boundaries.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On August 6, 2007, the City Council of the City of Azusa adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of approximately 5.7 acres of unincorporated territory, including street rights-of-way, withdrawal from the County Public Library and detachment of the area from County Road District No. 1. The proposed annexation area is located on the northeast corner of the intersection of Arrow Highway and Azusa Avenue.

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In order for the Local Agency Formation Commission (LAFCO) for Los Angeles County to proceed with the required hearings on the proposed annexation and related jurisdictional changes, your Board, as the governing body of the County of Los Angeles, Public Library and Road District No. 1 must adopt the attached Joint Resolution.

## FISCAL IMPACT/FINANCING

The adopted resolution will transfer four thousand four hundred and fifty-five dollars (\$4,455) in base property tax revenue from the County to the City and will allocate a share (0.177280155) of the annual property tax increment attributable to Annexation No. 2005-44 from the County to the City commencing in Fiscal Year 2008-09.

On January 9, 2001, your Board approved an ordinance that authorized the City of Azusa to include this area as part of the City's Merged Central Business District and the West End Redevelopment Project Area (Amendment #8). At that time, the Chief Executive Office advised your Board that the City had expressed an interest to pursue future annexation of this territory to address economic and physical blight. Since the proposed annexation territory is within a RPA, the City will not receive property tax increment for the annexed area until such time as the redevelopment project is terminated.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City filed its application with LAFCO on September 15, 2005 to initiate proceedings for annexation of approximately 5.7 acres of unincorporated Los Angeles County territory to the City of Azusa.

Section 99 of the Revenue and Taxation Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City of Azusa adopted the Joint Resolution on August 6, 2007 pursuant to Section 99 of the Revenue and Taxation Code.

Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal.

The Joint Resolution has been approved as to form by County Counsel.

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### CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and three signed originals of the Resolution to LAFCO, one copy of this letter and one signed original of the Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one copy of the letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

WILLITAM T FUJIOKA Chief Executive Officer

WTF:LS DSP:MJS:ib

Attachment

c: Auditor-Controller County Counsel

## **RESOLUTION NO. 07-C74**

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF AZUSA APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION OF TERRITORY KNOWN AS ANNEXATION 2005-44 TO THE CITY OF AZUSA, WITHDRAWAL FROM THE COUNTY PUBLIC LIBRARY AND DETACHMENT OF THE AREA FROM COUNTY ROAD DISTRICT NO. 1

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

. WHEREAS, this Resolution supersedes Resolution No. 07-C57 adopted by the City Council of the City of Azusa on July 2, 2007;

WHEREAS, the area proposed for annexation is identified as Annexation 2005-44 and consists of approximately 5.7 acres of unincorporated territory located on the northeast corner of the intersection of Arrow Highway and Azusa Avenue;

WHEREAS, the proposed annexation area is within the City of Azusa's Merged Central Business District and West End Redevelopment Project Area (Amendment #8), and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County, County Public Library, and County Road District No. 1, and the City Council of the City of Azusa, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of unincorporated territory identified as Annexation 2005-44 to the City of Azusa, withdrawal of the area from the County Public Library system and detachment of the area from Road District No. 1 is as set forth below:

## NOW, THEREFORE, BE IT RESOLVED as follows:

- 1. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Azusa, resulting from Annexation 2005-44 is approved and accepted.
- 2. The area within Annexation No. 2005-44 is currently within the jurisdiction of the Consolidated Fire Protection District and shall remain so and the Consolidated Fire Protection District shall continue to receive its share of the property tax revenues.
- 3. For fiscal years commencing on or after July 1, 2008, or the July 1 after the effective date of this jurisdictional change, whichever is later, Four Thousand, Four Hundred Fifty-five Dollars (\$4,455) in property tax revenue shall be transferred from the County of Los Angeles to the City of Azusa. In addition, for each fiscal year

commencing on or after July 1, 2008, or the July 1 after the effective date of this jurisdictional change, whichever is later, 0.177280155 percent of the annual property tax growth attributable to Annexation 2005-44 shall be transferred from the County of Los Angeles to the City of Azusa for Tax Rate Area 13543, and the County's share of incremental growth in the proposed annexation area shall be reduced accordingly.

- 4. For fiscal years commencing on or after July 1, 2008, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by Los Angeles County Library attributable to Annexation 2005-44 shall be transferred to the County of Los Angeles.
- 5. For fiscal year commencing on or after July 1, 2008, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by County Road District No. 1 attributable to Annexation 2005-44 shall be transferred to the County of Los Angeles.

PASSED, APPROVED AND ADOPTED this 6th day of August, 2007.

Joseph R. Rocha, Mayor, City of Azusa

I HEREBY CERTIFY that the foregoing Resolution No. 07-C74, was duly passed, approved, and adopted by the City Council of the City of Azusa, at a regular meeting of said City Council held on the 6<sup>th</sup> day of August, 2007, by the following vote of the Council:

AYES:

COUNCIL MEMBERS: GONZALES, CARRILLO, MACIAS, HANKS, ROCHA

NOES:

**COUNCIL MEMBERS: NONE** 

ABSENT:

COUNCIL MEMBERS: NONE

**ABSTAIN:** 

**COUNCIL MEMBERS: NONE** 

ATTEST:

Vera Mendoza, City Clerk, City of Azusa

Joint Resolution City of Azusa – Annexation 2005-44 Page 3 of 3

Board of Supervisors of the County of	day of, 2007, adopted by the Los Angeles and ex officio the governing body og districts, agencies and authorities for which said
	SACHI A. HAMAI, Executive Officer Clerk of the Board of Supervisors of the County of Los Angeles
	By Deputy

APPROVED AS TO FORM BY COUNTY COUNSEL

RAYMOND G. FORTNER, JR.

Deputy

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